

SECRET

Service Division

Committee on European Satellites

(Eusat Committee Meetings - 7th Meeting - 1350, 4 April 1956)

Present:

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25X1A9a The primary topic under discussion in the meeting was economic integration in the Bloc, with special reference to Eastern Europe. [redacted] who recently gave a briefing on a study of this subject, presented a point of additional information relating to this problem, namely, an indication of Bloc coordination in foreign trade in iron and steel products. Also reported was evidence that two satellites had submitted identical bids on a contract for an Egyptian project, suggesting collaboration in preparing their bids. Indication of economic integration in the field of railroad transportation is found in bloc-wide agreements which achieve a measure of standardization in international service and uniformity of freight and passenger rates for transit traffic.

Other matters discussed in the meeting included (1) a report that Austrian firms had been offered an opportunity to assist East Germany in fulfilling industrial contracts with Communist China; (2) Yugoslavian ships participating in trade with Communist China and other evidence of closer economic ties between Yugoslavia and the Bloc; (3) Increasing interest and some plans to introduce diesel motive power on railroads of Rumania, Hungary and East Germany.

A significant publication, the recently released "Economic Survey of Europe in 1955" of the United Nations, was discussed briefly. It was said to contain considerable useful information on Eastern Europe. Some difficulty is being experienced in getting sufficient copies of the document.

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[redacted]
Chairman